Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of Cablevision Systems Corporation's Request for Waiver of 47 C.F.R. § 76.1204(a)(1)	CSR-7078-Z Docket No. 97-80

Cablevision's Reply to Opposition of the Consumer Electronics Association to Request for Extension of Waiver

Cablevision Systems Corporation ("Cablevision") respectfully submits this reply to the opposition filed in this proceeding by the Consumer Electronics Association (CEA) on December 15, 2008 in response to Cablevision's November 26, 2008 request for a limited extension of its existing waiver.

In its request, Cablevision made unprecedented commitments, with enforceable milestones, to the implementation of a non-proprietary, open-standard downloadable security solution on which Cablevision's devices and third party retail devices could commonly rely.

CEA's reply repeats prior objections to other downloadable security plans, rather than addressing Cablevision's actual proposal. CEA states that "the so-called 'downloadable' systems of which CEA is aware would in fact require embedded, proprietary chips to be built into any device that would seek attachment to the system," and "thus … do not in reality achieve common reliance."[1] This is not true of Cablevision's implementation. Cablevision's request clearly explained that its solution is based upon open standards and a non-proprietary key ladder

[1] CEA at 3.

that is already widely available in video-decoder semiconductors offered commercially by ten manufacturers (including Broadcom, STMicroelectronics and Conexant), offering over 60 models of chips to manufacturers of DTVs, set-top boxes, and personal computers for video decoding, digital media, and "system-on-a-chip" operations. Any CE manufacturer can use these chips and the NDS technology (which is licensed freely) to build devices that would receive Cablevision services with the same security that Cablevision would be using in its own leased devices. CEA members Samsung and LG Electronics are already building beta set-top boxes using this downloadable security. Cablevision's plan therefore satisfies the Commission's requirements and objectives for common reliance.

CEA's second argument is that allowing Cablevision to use downloadable security would "end common reliance on CableCARDs" without a "single, national" replacement technology.[2] In the first place, Cablevision has proven its support for CableCARDs by successfully supporting over 16,000 CableCARD customers. It has committed to continuing that support. Second, there is no Commission requirement that any downloadable solution must be a "single, national" solution to replace CableCARDs in all MVPD and CE devices.[3] Instead, the Commission has expressly encouraged MVPDs to develop and deploy alternatives. For example, the Commission recently directed Verizon and other MVPDs to "work to develop and deploy a separable security solution that will allow for interoperability between their systems and consumer electronics equipment, preferably a downloadable solution based on open standards."[4] The Commission has

[2] CEA at 3.

[3] CEA at 3.

[4] *Consolidated Requests for Waiver of Section 76.1204(a)(1) of the Commission's Rules*, DA 07-2921 22 FCC Rcd 11780 at ¶ 61 (2007).

never required all MVPDs to use the same technology, and indeed to do so would stifle competition and innovation.

CEA also mistakenly asserts that Cablevision has requested "a permanent extension of its temporary waiver."[5] On the contrary, Cablevision asked only for a limited 18 month extension. By the end of that period, Cablevision would be fully compliant with all of the Commission's navigation device rules and would not require any further waiver or extension of the existing waiver.

Finally, CEA argues that grant of Cablevision's requested extension "would be invalid for absence of opportunity for public comment as to the technology that would be deployed."[6] Cablevision has already provided more technical detail than was available to the Commission in prior instances in which it has granted extensions for the deployment of downloadable security. Cablevision has specifically identified the NDS technology and made clear that it is freely licensable to CE members. Cablevision has also identified several of the manufacturers who have the chips available today for CE members. In addition, Cablevision's model is already in commercial use internationally, in Germany, Korea, and Cyprus. For avoidance of doubt as to the open nature of this technology, Cablevision has provided the attached letter from NDS providing additional assurances that independent third parties can administer and extend the specification and operate the trusted authority. NDS' letter also commits to license the technology royalty free, and to provide full cooperation to ensure that it is available for implementation by any party on a non-discriminatory basis.

[5] CEA at 2.

[6] CEA at fn. 7.

CEA has failed to present any compelling reason why the Commission should change course and now disallow MVPDs to rely on open, downloadable security models that the Commission has heralded as the preferable path for promoting a retail market. Accordingly, the Commission should grant an extension of Cablevision's existing waiver for an additional 18 months, to December 31, 2010.

Respectfully submitted,

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December 23rd, 2008

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Re: Downloadable Security – OpenSAC Key Ladder ("K-LAD")

Dear Sirs,

We write in connection with Cablevision's proposal to deploy NDS downloadable security throughout its New York metro area footprint in 2009 and 2010.

OpenSAC Key Ladder ("K-LAD") is an open downloadable security platform developed by NDS. K-LAD is currently in use in Europe and Korea, and has been adopted and implemented by ten major semiconductor manufacturers already.

To further demonstrate and provide assurance that the specification is open and available for widespread deployment, NDS submits as follows:

- NDS will submit the specification for K-LAD ("Specification") for administration by an appropriate independent third-party. NDS will license its IPR in the K-LAD specification on royalty free, "as is" basis with no warranties and indemnities, to manufacturers of semiconductors that are used in bi-directional cable ready devices, such as televisions, set top boxes, and recording devices for the purposes envisaged.
- The Specification will be compatible with K-LAD implementations in existing chipsets that have been certified by NDS that can be made available to all parties that adopt the Specification.
- NDS will provide full cooperation to ensure that access to the Specification is available for implementation on a non-discriminatory basis.
- NDS will provide full cooperation in transferring the trust authority to an independent organization with appropriate security qualifications and to ensure that any existing keys deployed with OpenSAC Key ladders administered by NDS will be transferred to that third-party trust authority.

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- NDS agrees that although it may propose the Specification, the third-party administrator may reasonably manage and extend the Specification, provided that such management and extensions do not invalidate existing deployments.
- Since the key serialization process is not intended to be exclusive to NDS, NDS will provide full cooperation to ensure that third parties may perform the key serialization process. If NDS is requested to perform key serialization and trusted authority services for chips with K-LAD implementations, it will do so at competitive rates.
- NDS may retain nonexclusive rights to act as administrator.

On the above basis we confirm that NDS is prepared to support Cablevision and its initiative for the implementation of downloadable security.

Yours faithfully,

Abe Peled
Chairman and CEO, NDS Group plc